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RESERVE BANK
NEW ZEALAND

WELLINGTON, N.Z.

JUNE · 1952

CONTENTS

	Page
CENTRAL BANKING IN NEW ZEALAND	83
BRETON WOODS	84
ECONOMIC CONDITIONS IN NEW ZEALAND	86
PUBLIC ACCOUNTS, 1951-52	87
CURRENT NOTES	89
 TABLES:	
I RESERVE BANK OF NEW ZEALAND:	
Liabilities and Assets	90
II TRADING BANKS:	
1. Liabilities and Assets	90
2. Classification of Advances	91
III PRINCIPAL NEW ZEALAND STATISTICS	92-93
IV FACTORY PRODUCTION:	
(a) Index Numbers of Value and Volume	94
(b) Principal Statistics by Industrial Groups	95
V AGRICULTURAL AND PASTORAL STATISTICS:	
1. (a) Area under Production	96
(b) Yields	96
2. Trade	96
3. Farm Machinery	96
4. Livestock	97
VI GOVERNMENT REVENUE AND EXPENDITURE:	
1. Consolidated Fund	98
2. Social Security Fund	99
3. National Development Loans Account	99
VII SMALL SAVINGS IN NEW ZEALAND	99
VIII FOREIGN EXCHANGE:	
1. Net Overseas Assets	100
2. Foreign Exchange Transactions of New Zealand Banking System	100

Note: Where figures are given to a certain degree of approximation the total shown may not be the same as the sum of the items.

The following symbols have been used throughout the "Bulletin":

... = not available.

— = nil or less than half the unit employed.

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Central Banking in New Zealand

III—THE STRUCTURE OF THE RESERVE BANK

Establishment

The Reserve Bank was constituted by the Reserve Bank of New Zealand Act, 1933, as a body corporate, with a share capital of 100,000 publicly subscribed shares of £5 each and a Reserve Fund of £1 million provided by the State. With the passing of the Reserve Bank Amendment Act, 1936, the shares were purchased by the Government and the Bank became a State-owned institution.

The head office of the Bank is situated in Wellington, but an agency will be opened shortly in Auckland to deal mainly with transfers of Government securities and exchange control permits.

Board

The management of the Bank is vested in a Board of Directors, consisting of a Governor (who is chairman), a Deputy-Governor, and up to seven "ordinary" members, appointed by the Governor-General in Council. The ordinary members hold office during the pleasure of the Governor-General in Council, but shall not continue in office, without re-appointment, for more than five years. In addition to these members the Secretary to the Treasury is, by virtue of his office, a member of the Board.

Governor and Deputy-Governor

The Governor and Deputy-Governor are appointed from time to time by the Governor-General in Council, each to hold office for a period of seven years, after which time they are eligible for re-appointment. They are in control of the administration of the assets and general business of the Bank, with authority to act and give decisions on all matters which are not specifically reserved for the Board.

Members of the Board

The present members of the Board are—the Governor, Mr. E. C. Fussell, the Deputy-Governor, Mr. A. Ross, (who were appointed to their present positions on 21st July, 1948, and 3rd November, 1948, respectively); the Hon. B. Roberts, appointed 22nd June, 1949; Messrs. T. W. Perry and P. O. Smellie, and Dr. R. G. McElroy, who were appointed on 7th November, 1951; Mr. G. Lawn, whose appointment dates from August, 1936, and Mr. B. C. Ashwin, Secretary to the Treasury.

Executive Committee

The Act provides for an executive committee of the Board to function by direction of the Board or with the concurrence of the Governor. This committee is competent to deal with any matter within the jurisdiction of the Board, but its decisions must be submitted to the Board for confirmation at its next meeting. This provision meets the need for prompt action that is apt to arise at any time in the exercise of functions of a central bank.

Distribution of Profits

The profits at the end of each financial year, after provision has been made for bad and doubtful debts, depreciation of assets, superannuation or retiring allowances of the staff, and so on, are paid into the Public Account to the credit of the Consolidated Fund.

Weekly Statement

By its governing Act the Reserve Bank is required to publish a weekly statement of its assets and liabilities as at the close of business on the day stipulated as the weekly balancing day (formerly Monday but since January, 1947, it has been Wednesday). A copy of every statement is published in the *Gazette*.

Auditors

The Governor-General in Council from time to time appoints one or more persons to be auditors of the Bank for a term not exceeding two years. Any person appointed auditor may, on the expiration of his term of office, be reappointed.

The present auditors are Messrs. D. A. F. Crombie and F. H. Harris, both Public Accountants, of Wellington.

GENERAL FUNCTIONS

The general functions of the Bank are set out in the Act as follows:—

"It shall be the general function of the Reserve Bank, within the limits of its powers, to give effect as far as may be to the monetary policy of the Government, as communicated to it from time to time by the Minister of Finance. For this purpose, and to the end that the economic and social welfare of New Zealand may be promoted and maintained, the Bank shall regulate and control credit and currency in New Zealand, the transfer of moneys to or from New Zealand, and the disposal of moneys that are derived from the sale of any New Zealand products and for the time being are held overseas, and shall do all such things within the limits of its powers as it deems necessary or desirable to promote and safeguard a stable internal price level and the highest degree of production, trade, and employment that can be achieved by monetary action."

"For the purpose of enabling the Reserve Bank to fulfil its functions the Governor-General may by Order-in-Council make all such regulations . . . as he from time to time considers necessary . . ."

"In the exercise of their functions and powers under the principal Act the Governor and the Board of Directors shall give effect to any resolution of the House of Representatives in respect of any functions or business of the Reserve Bank."

PARTICULAR FUNCTIONS

Government Banker

As the banker for the Government, one of the functions of the Bank is to hold the accounts of the Government departments. Most of these operate on a single account known as the Public Account, but there are also a number of separate accounts, an important one being the Post Office account. In addition various marketing organisations have accounts with the Bank—the Marketing Department, the Dairy Products Marketing Commission, the Wool Disposal Commission and the Apple and Pear Marketing Board.

Government banking business outside Wellington is carried out through branches of the Bank of New Zealand, the largest of the trading banks in this country.

Clearing House

Each trading bank is required to keep deposits at the Reserve Bank equal to not less than the aggregate of 7 per cent of their demand liabilities in New Zealand and 3 per cent of their time liabilities in New Zealand. This provides, among other things, the basis for an inter-bank clearing system. Through these accounts at the Reserve Bank the trading banks settle the balances due among themselves as a result of normal banking transactions.

Note and Coin Issue

The Bank is responsible for the design of bank notes, and for arranging their printing, custody, issue, withdrawal and cancellation. It acts on behalf of the Treasury as distributor and custodian of coinage.

Gold and External Reserves

The monetary reserves of the Bank may consist of gold coin and bullion, deposits at the Bank of England, British Treasury Bills and Bills of Exchange payable in London with an unexpired currency of not more than three months, and credit balances at several central banks overseas. In addition, the Bank may hold investments overseas which are an alternative form of reserve.

Section 4(1) of the Reserve Bank Amendment Act, 1950, which reads as follows, imposes on the Bank the duty to maintain reserves at an adequate level:—

"It shall be the duty of the Bank to maintain reserves which, in the opinion of the Board of Directors, will provide a reasonable margin for contingencies, after taking into account prospective receipts and disbursements of overseas funds, and having regard to the economic position within New Zealand."

Exchange Control

The Reserve Bank is the agent of the Government in administering (with the assistance of the trading

banks) a system of exchange control. For details see articles in the "Bulletin" for March and April, 1952.

Public Debt in New Zealand

On 1st October, 1936, the management of the Public Debt in New Zealand was transferred from the Treasury to the Reserve Bank and with the passing of the Amendment Act in 1936, the Bank was given authority to underwrite Government loans. (The Bank of England acts as agent of Treasury in respect of that part of New Zealand's public debt which is domiciled in London.) The functions of management include holding the stock registers, recording transfers, paying interest, and organising the raising of Government loans by public subscription, and their redemption or conversion.

Research

In order to carry out its functions the Bank must be well informed regarding economic conditions and developments in New Zealand and throughout the world, particularly in the monetary field. Some of the results of the research and analysis are made available from time to time to the Government and to the general public.

Central Banker

The Reserve Bank has a statutory duty to regulate credit and currency in New Zealand. This means it must formulate and apply policies appropriate to circumstances ruling from time to time and to the broad general functions (described above) which the Bank is required to carry out. In its own lending activities, its dealings in securities, and its influence (direct or indirect) over the lending activities of the trading banks, it seeks to ensure the money supply and the flow of bank credit are adequate but not excessive. It must also take whatever action may be necessary to ensure that adequate overseas reserves are maintained at all times.

Bretton Woods

I—BACK-GROUND AND HISTORY

(THIS IS THE FIRST OF A SERIES OF ARTICLES REVIEWING THE ACTIVITIES AND OBJECTIVES OF THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. THE PURPOSE OF THIS ARTICLE IS TO DESCRIBE THE CONDITIONS AND EVENTS WHICH LED TO THE FORMATION OF THESE INSTITUTIONS.)

THE INTER-WAR PERIOD WAS ONE of enormous economic problems, with severe fluctuations in employment, production and trade. Economic disorganisation was general and "poverty amidst plenty" was a very real problem.

Countries sought to improve their individual positions by adopting nationalistic practices in favour of their own industries. Tariffs were raised, competitive and discriminatory exchange rates and import controls were used, and a steadily expanding network of trade restrictions came into being. As one country after another adopted these expedients for purposes of self-preservation or retaliation the volume of world trade was severely diminished.

The initial causes of this sequence of events can be traced back to the end of World War I. During that

war trade had been disrupted, many economies had suffered considerable physical destruction, inflation had become widespread, and everywhere there was a legacy of wartime restrictions. These factors hindered the resumption of normal trade conditions, but more important was the change in the debtor/creditor relationships which had been brought about by the war. The United Kingdom and a number of other countries had lost many of their investments, while Germany was a heavily involved debtor nation. On the other hand, the United States, which previously had been a debtor, had now become the world's most important creditor nation. This meant that a complete change in the pattern of world trade was required, because those countries which had lost their overseas investments had now to expand their exports

or reduce their imports to balance their payments, while countries which had reduced their indebtedness, or, like the United States, had become creditors, had to reduce exports or increase imports, or maintain a steady outflow of capital investment. That necessary adjustment in the pattern of trade and in the policies of the main trading countries did not take place. Instead there was a tendency to try to stimulate exports, to protect national industries with tariffs or quotas or exchange devaluation, and generally to try to achieve a balance of international payments by methods of restriction. The basic conditions under which trade could flow freely and currencies be convertible were not adequately achieved. There was plenty of international competition, but very little co-operation or understanding of the international implications of nationalistic policies.

One factor which aggravated the position was the policy of trying to restore the gold standard (the free convertibility of currencies into gold and into each other at fixed rates of exchange) before conditions were suitable for such convertibility. In the few years following 1925, when the United Kingdom restored the gold standard with the same sterling-dollar exchange rate as operated before 1914, a valiant attempt was made to keep trade and finance moving freely. But with national currencies unstable, capital movements erratic, international trade unbalanced, and demand tending to fall, the strain of keeping sterling convertible at the fixed exchange rate chosen in 1925 proved more than the United Kingdom economy could bear, and in 1931 the gold standard was abandoned by the United Kingdom, followed by many other countries. That was at the beginning of the great depression. The economic disturbances of the 1920's were accentuated, and it was not surprising that world trade considerably declined and unemployment increased. Faced with this problem most of the countries concerned imposed tariffs on their imports or endeavoured to increase their exports by competitive exchange depreciations. These attempts to restore external currency reserves and reduce unemployment were frustrated as soon as other countries did likewise.

Throughout the '20s meetings had been called from time to time by the League of Nations to reduce tariffs and remove restrictions to trade, but these had all been of no avail and by the 1930's nationalistic protective policies were more widely adopted. International trade had already suffered as a result of the above conditions, but the hardest blow of all came with the depression of the early '30s. The adoption by the United States Government of the Hawley-Smoot tariff in 1930, was followed in other countries by similar measures which in practice gave them no prospect of improving their own conditions irrespective of the effects on their neighbours. In 1932 the United Kingdom forsook the principles of free trade and imposed a general tariff, and in the same year at the Ottawa Conference the British Commonwealth expanded the scope of Imperial Preference. In the following year a further World Economic Conference failed to arrest this world-wide trend.

The spirit of international co-operation had fallen to its lowest ebb, and for the rest of the '30s economic nationalism held sway. Bilateral trade agreements, higher tariffs and increasing use of direct trade con-

trols resulted. On the other hand the first signs of a return to freer trade appeared in the passing of the Reciprocal Trade Agreements Act, 1934, in the United States, and the tripartite agreement signed by the United Kingdom, the United States and France in 1936, under which the three countries sought to stabilise the exchange rates between the dollar, pound and franc. Later Belgium, Switzerland and the Netherlands joined in the agreement.

In spite of the increased restrictions, trade did revive to some extent in the second half of the '30s. Two reasons accounted for this, namely, the tendency for most countries to disregard their external situation and follow reflationary policies, and the development of an armament race, both of which raised the demand for imports.

With the outbreak of World War II, private trade was further disrupted, an increased part of the trade of the belligerent countries thereafter being conducted on a Government to Government basis, and many new restrictions being imposed. However, even while the war was at its height, plans were being made for a revival of international co-operation in the economic and financial sphere. The troubles of the inter-war period were the result of deflation and an unwillingness to accept imports, aggravated by an insufficiency of international monetary reserves. What was required, therefore, was some organisation which would encourage international co-operation, increase international currency reserves, stabilise exchange rates, facilitate international lending and encourage both debtors and creditors to take the necessary action to correct large or chronic surpluses or deficits in their balance of payments.

The two major plans which finally emerged were the Keynes* Plan in the United Kingdom and the White* Plan in the United States. The purposes and functions of these were similar, the differences mainly being in methods. In the Keynes plan an International Currency Union was proposed with the functions of an international central bank. This bank proposed to issue on the overdraft principle a universally acceptable currency which would be called "BANCOR". Countries in balance of payments difficulties could draw on the Union, this debit in its books being offset by a credit in other countries' accounts as the money was spent. It contained a number of unusual features, the most important being the charging of interest on credit balances. This was suggested in order to make countries in chronic surplus take action to correct the position.

The White plan provided for two institutions, a stabilisation fund and an international bank. The former would consist of a fixed fund, subscribed by members, on which members in temporary balance of payments difficulties could draw. The bank had many of the functions of a central bank including the issue of an international currency "UNITAS", but its main function was to facilitate international lending.

Meanwhile the Atlantic Charter and the Mutual Aid Agreement between the United Kingdom and the United States had each included clauses relating to the post-war need for expanding world trade and the latter had called for a conference at an early date to

* Named after their sponsors, the late Lord Keynes of Great Britain and the late Dr. Harry White, assistant to the Secretary of the U.S. Treasury.

consider the best means of achieving this end. These agreements provided the basis for the co-operation which followed.

In August, 1942, the two Governments exchanged their plans and talks at the technical level followed at intervals in the next eighteen months. As a result of these talks, there was continued revision of both schemes. A compromise solution, "The Joint Statement by Experts on the Establishment of an International Monetary Fund", was eventually reached and was issued in April, 1944; and in the following month President Roosevelt invited 44 nations to attend a monetary conference to be held at Bretton Woods, New Hampshire, U.S.A., commencing on 1st July, 1944. It was still necessary to formulate the proposals for the International Bank, but there was little disagreement on this. The United Kingdom's small amendments to the United States draft were readily accepted, and it was decided to leave the details of the Bank's organisation to the Conference.

On the 1st July the representatives of the forty-four invited nations (plus an observer from Denmark) assembled at Bretton Woods, New Zealand's representatives being the Right Hon. Walter Nash, who was then Minister of Finance, Mr. B. C. Ashwin, Secretary to the Treasury, Mr. E. C. Fussell, then Deputy-Governor of the Reserve Bank, and Dr. A. G. B. Fisher, then Counsellor to the New Zealand Legation in Washington and now member of the Fund's staff. The Conference was divided into three Commissions:

- I. To study International Monetary Fund proposals;
- II. To study the International Bank; and
- III. To study other measures of international co-operation.

Although the basic ideas of the proposals put to the Conference remained intact, many important changes were made which clarified many points. The following were the topics around which most discussion centred—

- (a) The size of quotas; since voting and borrowing rights in the Fund are in proportion to the size of the quotas, most countries desired their quotas to be as high as possible, and much negotiation was necessary before final agreement was reached.
- (b) The extent to which the Fund should function automatically. The United Kingdom wanted it to function as automatically as possible; but the United States, having in mind the strain to which their economy would be subjected through supplying foreign relief after the war, preferred that each case should be treated on its merits. A compromise solution was reached, whereby although certain rules were laid down in the articles, the final decisions were to be left to an executive board which would be in continuous session.
- (c) The relationship of exchange rate to internal policies. For example, the Conference discussed questions such as: did the exchange rate have to remain fixed even if a change would help to cure unemployment.
- (d) The need for special measures during the post-war transitional period. It was realised that the removal of many wartime exchange controls would be impossible for some time after the cessation of hostilities, and special clauses on gradual removal were incorporated in the agreement.

At the end of three weeks' extensive discussion, the Conference closed on the 22nd July, 1944, unanimous agreement having been reached on the articles of both the Fund and the Bank.

A period of nearly two years then elapsed during which the agreements were ratified by 33 countries, the war came to an end, and various administrative steps were taken to establish the two organisations. The inaugural meetings were held in March, 1946, and within a year both the Fund and Bank had commenced operations.

Economic Conditions in New Zealand

A QUARTERLY REVIEW

Primary Production

Climatic conditions were favourable for pasture growth in March but dry conditions persisted in several areas during April and May. Although production up to the end of May was 2.3 per cent higher than for the same period last season, dairy production has shown a sharp seasonal decline. Prospects for winter feed supplies are better than last year. Meat killings are greater than last season but are below the 1949-50 level. Shipping difficulties have caused killing to be slowed up at some works so that an extended season is likely.

Local wool sales concluded in May with prices for medium crossbreds showing an upward trend, reaching about 37 pence per pound at the closing sale. The New Zealand Wool Commission operated to a small extent in support of the market from the end of March

and bought 1,600 bales. Prices for hides and sheepskins have recovered somewhat.

Most of the apples and pears for export have now been shipped. Prices on the British market have been high but are now easing with the arrival of Australian fruit. The markets for seeds and peas, sausage casings and casein remain weak.

Balance of Payments

The continued high level of imports during the first quarter, and the lower level of woolprices, indicated that without some form of exchange restrictions a serious deficit would have occurred in the balance of payments during 1952. Accordingly exchange restrictions were introduced on 1st April (see April "Bulletin"). Payments for private imports in April (£18 million) were nearly £3 million less than in March, but still £6 million above the average for the

first half of 1951. The balance of payments deficit for the first four months of this year was £10.2 million, a drastic change from the usual surplus for this period of the year when export receipts are high. Net overseas assets, instead of rising as usual, fell from £81.8 million in December to £74.8 million at the end of April. They have shown a slight recovery in May but must be expected to fall in accordance with the normal seasonal pattern from June to December. For the twelve months ended April, 1952, the external deficit was £22 million.

Monetary Situation

By the end of April the volume of money had fallen to £270 million from the peak figure of £291 million in March, 1951. The big rise in trading bank advances since March, 1951, has been more than offset by an adverse balance of payments, the repayment of Government debt to the Reserve Bank, and the transfer of wool retention moneys into frozen accounts. Trading bank advances have fallen from their peak of £195 million in April to £180 million at the end of May. Most of this movement is seasonal. The deposits which the trading banks maintain at the Reserve Bank had fallen to less than £25 million at the end of March but by the end of May they had risen again to £41 million. The margin between actual and minimum deposits is still not great (especially when account is taken of the amounts held by individual banks) and it is in itself a reason for the banks to exercise caution in their lending policies, quite apart from the Reserve Bank's selective control policy. The analysis of advances published in this "Bulletin" suggests that, of the £49 million increase in advances from March, 1951 to March, 1952, over half can probably be attributed to increased imports.

Capital Market

Following the Government's announcement on interest rates and on the tightening of capital issues control, yields on long-term government stock declined from around £3. 17s. 6d. per cent to around £3. 11s. 3d. This level was maintained through April and May but there were some weakening tendencies in evidence at the end of May. Share prices have also improved from their February low, but the market is still uncertain.

The demand for long and medium-term capital remains large, as higher prices, larger stocks and tighter bank credit force firms (many under-capitalised) to seek finance from the market.

Public Finance

The public accounts for the year ended 31st March, 1952, showed a surplus of £12.6 million in the Consolidated Fund and £3.6 million in the Social Security Fund. (See table on page 98.)

Public Accounts, 1951-52

THE ABSTRACT OF PUBLIC ACCOUNTS for the year ended 31st March, 1952, was gazetted on 5th June. Details of the receipts and expenditure of the Consolidated Fund, Social Security Fund and National Development Loans Account appear on pages 98 and 99 of this issue.

Manufacturing

Some consumer goods industries are feeling the competition of imported goods and are having difficulty in disposing of stocks. In line with world trends, textile firms have found demand slackening off. Overtime has been reduced in some factories. Other firms have closed small branches which they had established in country towns to tap labour not available in the cities.

Retail Trade (Wellington Area)

Sales since January have been below the corresponding months of last year although the monthly value has continued to increase. Taking into account the rise in prices the volume of sales must be considerably lower than last year. Sales of household drapery and furnishings are particularly low.

Stocks appear to have levelled out at about 25 per cent above their last year's value. This level may not be abnormal (apart from furniture and furnishings) when account is taken of higher prices. It would thus appear that wholesalers are still holding a large part of the abnormal imports and that retailers are re-ordering only to maintain their level of stocks.

Prices

The Consumers' Price Index again rose during the March quarter, although the rate of increase appears to have slowed down. The 16 point rise since December compares with rises of 30 points in the fourth quarter, 1951, 38 in the third, 48 in the second, and 16 in the first quarter, 1951. First quarter figures, however, are affected by seasonal decreases in the prices of fruit, vegetables and eggs. During April, the All Foods Index which had fallen a further 15 points in March rose 39 points to 1395, two points above the January figure, but still below the December peak of 1422. A further rise to 1408 occurred in May.

Locally produced items in the Wholesale Prices Index fell slightly during January and February but this fall was outweighed by increases in the Imported Items Index which rose 2.5 per cent in February and 3.3 per cent in January. This latter index is restricted in its coverage of imports and is therefore not a complete indication of the trend of import prices.

The Export Prices Index for the December quarter was 5 per cent higher than in the September quarter but should decline again in the March quarter because of the fall in wool prices.

General Conditions

The tendency, noted in last quarterly review, for inflationary pressure to ease and for a more cautious note to be evident in business, has continued. World prices are generally stable with a tendency to fall slightly.

The revenue and expenditure of the main non-capital accounts—the Consolidated and Social Security Funds—are summarised below for 1950-51 and 1951-52, with the actual totals for the latter expressed as a percentage of total revenue.

All classes of taxation showed increases over the

estimates. The largest increases were in customs duties and sales tax receipts, as a result of the abnormally large volume of imports. Total revenue at £224.5 million was £16.3 million greater than estimated. Expenditure varied only slightly from the estimates.

Compared with 1950-51 the most notable changes were the increased revenue from taxation, £200.5 million compared with £158.0 million, despite the taxation reductions effective in 1951-52; the rise in subsidy expenditure from £9.4 million to £15.3 million, and the rise in defence expenditure from £15.3 million to £24.6 million, accounted for by larger votes for the services.

After allowing for the transfer of £6.6 million to the War Emergency Fund, the surplus for the financial year in the Consolidated Fund was £12.6 million, compared with £3.1 million in 1950-51 (after providing for the transfer of £5.2 million to establish the War Emergency Fund). A further surplus of £3.6 million was shown in the Social Security Fund compared with £461,000 last year. Of the total current surplus of £16.2 million, the Government proposes to use £5 million to meet part of its commitments for the development of the Murupara pulp and paper scheme, while the balance is to be carried forward.

In the National Development Loans Account, receipts for the year totalled £30.7 million, consisting of £8.8 million from National Savings and the remainder from other borrowing, while expenditure totalled £33.1 million.

PUBLIC ACCOUNTS, 1951-52

(Consolidated Fund and Social Security Fund Combined)

	1950-51	1951-52	
	(£ millions)	Per cent of Total Revenue	
Revenue:			
Taxation	158.0	200.5	89.3
Other	21.7	24.0	10.7
Total	179.7	224.5	100.0
Expenditure:			
Interest	17.3	17.7	7.9
Amortisation and re-demption of debt	9.0	6.1	2.7
Defence (including transfer to Defence Fund)	15.3	24.6	11.0
Transfer to War Emergency Fund	5.2*	6.6	2.9
Law and Order	2.1	2.6	1.2
Maintenance of works, services and highways	10.8	12.5	5.6
Health	10.2	12.8	5.7
Education	13.3	15.9	7.1
Stabilisation	9.4	15.3	6.8
Social Security and Pensions			
Medical and Hospital	8.7	9.4	4.2
Monetary benefits and war pensions	45.2	49.9	22.2
Other Social Security Payments and Expenses	1.1	1.3	.6
Other Expenditure	28.5	33.8	15.1
Total	176.2	208.3	92.8
Surplus	3.5	16.2	7.2
Disposal of Surplus:			
Family Bonus	3.1	—	—
Allocation for Murupara Scheme	—	5.0	—
Carried Forward	0.4	11.2	—

* Part 1950-51 surplus transferred in 1951-52.

PRINCIPAL NEW ZEALAND STATISTICS

The table on pages 92 and 93 presents a selection of the main New Zealand statistics on production, trade, finance and prices. The following explanatory notes will assist in interpretation of the figures:—

Mean Total Population: For year ended 31st March. Includes Maoris.

Farm Production: June year. Includes processing of farm products.

Factory Production: March year. Excludes processing of primary products included in other groups.

Total Production: Includes groups not shown separately. No allowance is made for different production years of different groups.

Value of Building Permits: Covers permits issued for new buildings and dwellings, and alterations and additions, in all urban districts.

National Income: For full details see the Official Estimates of National Income and Expenditure published by the Census and Statistics Department as a supplement to the Abstract of Statistics.

Public Finance: "Current Expenditure—Other" is the total of expenditure from the Consolidated Fund, War Expenses Account, Defence Fund and War Emergency Account, excluding transfers from the Consolidated Fund to these accounts and to the Social Security Fund.

Public Debt: Overseas debt is converted at the same rate throughout, i.e. £1st.100 = £NZ.100 = £A.125, and excludes £1st.24.1m. of funded debt and £1st.21.1m. of other debt in respect of which payments of interest and principal were suspended by agreement with the United Kingdom Government in 1931. As at 31st March.

Trade and Exchange: Imports valued at current domestic value in the country of origin, plus 10 per cent. Exports valued f.o.b. including re-exports, ships' stores and gold.

"Balance of Exchange Transactions" figures are obtained from records of receipts and payments of overseas currency by the banking system. Monthly figures for Imports, Exports and Balance of Exchange Transactions are twelve months running totals.

Money and Banking: "Volume of Money" comprises notes and coin held by the public, plus demand deposits at the trading banks, plus Government and other demand deposits at Reserve Bank, excluding Trading Banks' balances and wool retention balances held at Reserve Bank. "Net Overseas Assets (Revised Series)" is the total of foreign exchange and overseas investments held by the New Zealand banking system in respect of New Zealand business, less overseas liabilities. "Credit Balances in Savings Accounts", is the total of balances in the Post Office Savings Bank, Trustee Savings Banks, National Savings Accounts and War Gratuity Accounts. Interest is credited in March of each year; for National Savings Accounts interest calculated for the year ended 30th June is not included in the total until the following March.

Government Security Yield: Based on 1953-57 3½% stock until 1943; thereafter 1960-63 3% stock.

Consumers' (Retail) Price Index: For full details see the supplement to the October-November, 1949, Abstract of Statistics.

Retail Sales, Selected Items—Wellington Area: Index Numbers—average monthly value for year ended March, 1951 = 100. Includes clothing, footwear, household drapery and household durables only—for full details see "Bulletin" for February, 1952.

Unemployed: Includes males only. Until September, 1945, the figures relate to males receiving unemployment benefits or working on a subsidised basis. Since then the figures relate to males registered with the Labour and Employment Department as being disengaged. Subsidised workers are not included in this category. In April, 1959, a large number were transferred from unemployment to other social security benefits, e.g., sickness benefit. Monthly figures are as at the end of each month and annual figures are the averages of such monthly figures.

Current Notes

Wool Realisations

According to figures released by the New Zealand Woolbrokers' Association, a total of 928,065 bales of greasy wool were sold at auctions throughout New Zealand during the 1951-52 season. This is a record figure for sales at auctions and is 30,755 bales above the previous record set in the 1946-47 season. Realisations from the 315.7 million lbs. of greasy wool sold totalled £52.7 million—an average price of 40.096 pence per lb., compared with a realisation of £107.9 million from 294.9 million lbs. at an average price of 37.796 pence per lb. in the 1950-51 season.

Quarterly Analysis of Trading Bank Advances

The table on page 91 of this "Bulletin" shows that in the year ended March, 1952, bank advances increased by £49 million compared with £36 million in the previous year. The percentage rate of increase was about the same for both years.

In 1951-52 the most important increases in advances were to manufacturing industries (£12 million), importers (£10.4 million) and retailers (£9.3 million), reflecting the large inflow of imports and the accumulation of stocks of goods. The main changes are summarised in the following table:—

TRADING BANK ADVANCES

	Increase during Year	
	£ million	Per Cent
Farmers	2.4	12.4
Freezing Works, Meat Companies	4.1	29.7
Wool Buyers	7.0*	62.9*
Other Industries allied to Primary Production	4.2	58.2
Other Manufacturing Industries	12.0	58.7
Merchants, mainly Importers	10.4	97.1
Stock and Station Agents	3.1	214.0
Other Merchants	3.0	97.2
Retailers	9.3	82.1
Private Individuals	4.2	29.0
All Other	3.5	19.7
Total	49.2	37.6

* Decrease.

Meat Consumption

An analysis of meat consumption in New Zealand prepared by the Government Statistician shows that in the year ended 30th September, 1951, consumption per head of population amounted to 237.5 lbs. compared with an estimated average of 221 lbs. in the three pre-war seasons. Details are—

MEAT CONSUMPTION PER HEAD OF POPULATION (lbs.)

	1950-51	Pre-war*
Beef	115.0	112.0
Veal	5.7	7.5
Mutton	64.0	60.0
Lamb	11.1	6.5
Pigmeat	31.9	26.0
Total carcase meat	227.7	212.0
Edible offal	9.8	9.0
Total	237.5	221.0

* Estimated average 1936-37 to 1938-39.

Motor Vehicle Imports

Confirming the Government's decision not to issue import licences for built-up vehicles for the rest of 1952, except for cars already approved for delivery to tourists in the United Kingdom and certain classes of heavy vehicles, the Minister in Charge of Import Licensing, Mr. J. T. Watts, stated that New Zealand's overseas expenditure on motor vehicles in 1952 would exceed £19 million. Imports for the year would total 32,000 vehicles, consisting of between 18,000 and 19,000 built-up vehicles and between 13,000 and 14,000 vehicles for local assembly.

Shipping Freight Rates

There has been a steady decline in tramp shipping freight rates since November, 1951. The United Kingdom Chamber of Shipping index of sterling tramp freight rates declined from 190.4 (1948 = 100) in October to 110.9 in May.

The causes of this decline are stated to be—

- the reduced volume of shipments of coal from the United States to Europe;
- import restrictions in several countries, including Australia;
- growing competition from German and Japanese vessels.

The decline in freight rates would have been greater but for the withdrawal of 366 United States merchant ships to the reserve fleet.

World Gold Production

According to the International Monetary Fund, gold produced in countries other than those under Russian influence amounted to 23.6 million ounces in 1951 compared with 24.1 million ounces in 1950. This is the first time since the end of the war that a reduction has taken place, although the average post-war production has been only three-quarters the pre-war level. A feature of the figures for individual countries is that contrary to expectations, production fell in most countries where the currency was devalued (i.e., price of gold raised) while it rose in most countries where the currency was not devalued.

An independent estimate by the London firm of bullion dealers, Samuel Montagu and Company, also shows a decrease in gold production in 1951. According to this estimate world gold production (including Russia and her satellites) was 25.7 million ounces in 1951 compared with 26.4 million ounces in 1950. Of the 1951 production, about 18.3 million ounces were taken up by private buyers, leaving 7.4 million ounces available for official reserves. It is estimated that about eight million ounces were actually used "in the arts", about five million ounces were absorbed privately in India, China and other Middle and Far Eastern countries, and about five million ounces went into private hoards in the Western World. Compared with the previous year's figures, private buyers absorbed 50 per cent more gold in 1951 and official reserves 50 per cent less.

I—RESERVE BANK OF NEW ZEALAND
Liabilities and Assets

JUNE, 1952

Average of Weekly Figures:	LIABILITIES						ASSETS						
	Demand Liabilities			Reserve			Investments			Advances to State		Other Advances and Discounts	Other Assets*
	Bank Notes	State	Banks	Wool Retention Accounts*	Other	Gold	Sterling Exchange	Other* Exchange	Investments	Market'g Orgns.	Other		
1945	41,123	12,228	43,972	—	1,012	2,802	60,064	—	11,797	2,085	24,163	—	1,455
1946	45,169	17,302	59,731	—	524	2,802	81,332	—	5,991	961	35,127	—	1,396
1947	47,682	13,265	57,102	—	483	2,802	85,300	—	4,576	1,157	28,510	5	1,046
1948*	48,930	13,228	57,706	—	380	2,802	65,090	—	10,496	1,698	35,182	2,437	7,549
1949	51,312	11,384	73,837	—	355	3,223	48,995	—	41,855	3,482	37,628	4,907	1,973
1950	55,126	15,446	74,239	117	1,115	4,269	51,319	256	31,313	5,096	52,245	5,378	2,277
1951	60,361	18,844	69,326	4,204	725	5,139	62,557	383	27,107	3,379	51,134	6,829	3,224
Last Wednesday in Month:													
1951—May	58,413	10,544	75,902	1,238	4,718	5,071	73,802	170	10,974	5,842	50,694	6,832	4,174
June	59,804	11,589	73,694	2,879	1,913	5,157	78,120	419	7,974	4,033	50,000	6,495	3,714
July	60,624	9,874	75,294	4,882	719	5,203	78,483	460	11,974	1,929	50,000	6,235	2,949
Aug.	60,374	14,183	81,660	5,024	444	5,306	79,164	524	22,675	1,300	50,146	6,019	2,585
Sept.	60,566	12,173	84,617	1,494	604	5,365	68,213	457	31,440	1,419	50,040	6,019	2,423
Oct.	61,298	13,744	79,248	882	292	5,418	59,003	358	36,132	1,373	50,000	6,019	3,097
Nov.	64,576	12,268	69,737	361	470	5,451	38,602	437	46,182	1,541	52,986	6,019	2,365
Dec.	69,366	9,975	65,896	34	191	5,506	29,131	400	54,182	2,586	50,000	6,019	4,069
1952—Jan.	63,837	12,256	62,841	61	299	5,578	22,620	1,467	54,182	2,774	50,000	6,019	2,974
Feb.	62,217	22,149	54,396	—	687	5,638	19,786	1,566	54,182	4,805	50,012	6,019	4,023
Mar.	62,205	33,605	24,643	—	604	5,714	21,756	510	34,182	6,321	50,000	6,019	3,215
Apr.	62,600	22,235	33,210	—	529	5,749	23,019	406	32,182	5,985	50,000	6,019	2,416
May	61,876	15,433	41,098	—	489	5,873	24,818	646	32,182	4,701	50,000	6,019	2,057
June 4	61,627	15,666	38,813	—	576	5,882	23,854	447	32,182	3,747	50,019	6,019	1,962
11	61,580	13,342	37,422	—	271	5,904	21,370	534	32,182	2,675	50,000	6,019	1,437
18	61,459	12,334	37,374	—	639	5,909	21,808	469	32,182	1,530	50,000	6,019	1,369
25	61,225	11,530	44,426	—	429	5,913	20,741	1,703	32,182	4,812	50,000	6,019	3,683

* On and after 20th August, 1948, overseas assets and liabilities converted to N.Z. currency at rate, £Stg.100 = £N.Z.100; previously £Stg.100 = £N.Z.124.

* Prior to 1950 the figures for "Other Assets" are included under "Other Assets".

† Held temporarily pending transfer to Wool Retention Accounts at trading banks. See text page 19 of February, 1951, issue.

II—TRADING BANKS

I. Liabilities and Assets

Average of Monthly Figures:	LIABILITIES (in New Zealand)				ASSETS						Unexercised Overdraft Authorities	
	Demand	Time		Total Demand and Time Liabilities	Bankers' Cash*	Net O'seas Assets	Securities		Advances and Discounts			
		Wool Retention Accounts	Other				Govt.	Other				
1945	99,836	—	31,634	131,470	52,402	13,647	29,335	2,473	51,618	40,274		
1946	117,071	—	34,414	151,485	67,794	12,541	26,168	2,293	58,342	45,041		
1947	128,115	—	37,870	165,984	66,041	13,295	20,913	2,124	76,247	46,669		
1948*	138,211	—	40,403	178,614	68,814	13,464	16,953	1,942	86,470	50,650		
1949	150,699	—	39,016	189,715	86,120	14,526	12,856	1,813	81,981	57,686		
1950	167,526	—	39,787	207,313	86,674	17,362	11,730	1,677	94,065	64,178		
1951	196,663	19,589	39,815	256,068	83,278	27,276	11,716	1,527	133,079	72,230		
Last Wednesday in Month:												
1951—May	210,769	16,441	40,302	267,512	87,423	34,018	11,715	1,531	137,636	75,732		
June	211,864	18,039	39,449	269,353	86,492	39,492	11,715	1,529	132,743	76,425		
July	205,822	21,356	38,659	265,837	87,506	40,059	11,715	1,517	121,428	78,433		
Aug.	187,780	25,934	39,199	252,913	93,920	23,712	11,715	1,502	127,001	73,216		
Sept.	194,575	29,962	39,781	264,317	97,276	18,802	11,715	1,499	133,030	70,061		
Oct.	188,055	30,736	41,093	259,884	91,572	14,108	11,715	1,495	143,227	67,347		
Nov.	186,477	31,726	40,364	258,567	85,554	13,401	11,715	1,485	147,336	68,482		
Dec.	190,265	32,088	40,125	262,478	70,941	15,680	11,715	1,483	154,456	65,282		
1952—Jan.	195,143	31,752	39,398	266,294	77,901	19,868	11,714	1,446	159,266	67,294		
Feb.	197,216	30,756	39,382	267,354	68,360	22,694	11,714	1,432	166,164	66,883		
Mar.	189,901	30,207	47,730	267,838	38,465	22,101	11,714	1,405	187,259	64,192		
Apr.	192,133	29,446	39,091	260,670	46,018	17,796	11,714	1,389	186,623	63,755		
May	193,481	29,062	39,013	261,557	53,922	18,213	11,714	1,379	179,862	69,937		

* Bankers' Cash includes Notes and Coin, and Balances at Reserve Bank. See text page 19 of February, 1951, issue.

* On and after 20th August, 1948, overseas assets and liabilities converted to N.Z. currency at rate, £Stg.100 = £N.Z.100; previously £Stg.100 = £N.Z.124.

II—TRADING BANKS
2. Classification of Advances

(£N.Z. thousands)		Published by courtesy of the Associated Banks					
Last Wednesday in month	1949 March	1950 March		1951 March			1952 March
		March	June	September	December		
1. FARMERS:							
(a) Mainly Dairy	7,210	6,781	7,932	9,575	10,136	10,347	8,947
(b) Mainly Wool	5,795	4,883	5,397	5,793	5,772	6,022	6,350
(c) Mainly Meat	1,203	1,124	1,057	910	899	998	904
(d) Mainly Agricultural	680	689	805	906	942	1,183	993
(e) Mixed	4,424	3,828	3,962	4,182	4,204	4,335	4,343
2. INDUSTRIES	19,313	17,305	19,154	21,367	21,952	22,885	21,538
ALLIED TO PRIMARY PRODUCTION:							
(a) Dairy Co's., Factories, etc.	628	497	730	1,313	4,614	4,582	773
(b) Freez. Works, Meat Co's., etc.	8,584	9,411	13,879	16,860	5,215	5,376	17,998
(c) Woollen Mills	1,527	1,442	2,070	893	1,629	2,115	3,942
(d) Wool Buyers	2,276	5,443	11,161	5,442	4,504	2,957	4,142
(e) Other	4,163	4,272	4,348	4,449	4,245	5,158	6,597
	17,178	21,065	32,188	28,957	20,207	20,189	33,452
3. OTHER MANUFACTURING & PRODUCTIVE INDUSTRIES:	15,037	14,774	20,477	19,765	21,678	26,245	32,492
4. MERCHANTS, WHOLESALERS:							
(a) Mainly Imp'trs	5,925	7,578	10,663	10,225	10,826	15,970	21,018
(b) Others	2,155	2,829	3,129	3,135	3,724	5,030	6,171
	8,080	10,407	13,792	13,360	14,549	21,000	27,189
5. RETAILERS:	7,659	8,258	11,347	11,932	14,610	17,644	20,658
6. TRANSPORT:							
(a) Shipping	181	378	622	503	394	322	305
(b) Other	1,713	1,767	2,442	2,607	2,731	2,877	3,298
	1,893	2,145	3,064	3,110	3,125	3,199	3,603
7. ALL OTHERS:							
(a) Local Bodies, M'pal Authorities, Public Utility Concerns, etc.	905	989	1,566	2,148	2,243	2,453	1,486
(b) Stock & Station Agents	644	641	1,437	954	1,768	3,697	4,512
(c) Hotels (Public & Private), R'nts, etc.	2,267	2,082	2,570	2,646	2,772	2,939	2,910
(d) Entertainment Concerns	373	250	274	198	267	231	297
(e) Financial Co's. Societies, etc.	1,771	1,925	2,454	2,121	1,913	2,257	2,936
(f) Religious and Charitable	280	285	425	460	465	516	574
(g) Professional	1,999	2,045	2,778	2,841	2,659	2,601	3,079
(h) Private Individuals	8,334	9,163	14,563	15,794	15,997	16,649	18,787
(i) Miscellaneous	3,014	3,315	4,643	5,034	5,612	6,536	6,398
	19,586	20,695	30,710	32,196	33,696	37,879	40,980
TOTAL ADVANCES	88,745	94,649	130,732	130,686	129,817	149,039	179,912

III - PRINCIPAL NEW

SEE PAGE 88 FOR NOTES O

ANN

March Year	Mean Total Population	Farm Production		Factory Production‡			Total Production		Value of Building Permits	Net National Income
		Value	Volume	Persons Engaged	Added Value	Volume	Value	Volume		
		(000)	£N.Z. millions	(000)	£N.Z. millions	(000)	£N.Z. millions	(000)		
1938-39	1,611	81.9	100	89	30.5	100	136.1	100	12.1	194.1
1941-42	1,630	97.3	111	100	41.2	117	163.8	110	9.0	254.5
1942-43	1,640	98.6	108	97	45.2	122	170.2	109	2.7	293.5
1943-44	1,638	98.9	105	100	49.4	129	175.9	108	8.3	326.5
1944-45	1,665	116.4	113	104	52.0	132	196.7	114	12.8	329.9
1945-46	1,711	112.8	107	110	55.6	136	200.4	112	16.9	350.1
1946-47	1,773	131.4	110	116	61.7	146	230.2	118	21.2	365.3
1947-48	1,813	155.0	113	120	70.8	159	266.3	123	21.4	410.9
1948-49	1,851	168.8	117	122	77.0	163	292.2	129	26.4	419.1
1949-50	1,891	208.9	123	123	84.9	174	345.0	137	30.4	483.2
1950-51	1,918	315.4*	126*	127	97.4*	183*	473.2*	141*	35.0	577.0*
1951-52	1,959									

‡ Excluding processing of primary products.

† Debt domiciled overseas is expressed in New Zealand

ANNUAL AND

Calendar Year	Trade and Exchange			Money and Banking						As at 31st March
	Exports	Imports	Balance of Exchange Transactions	Notes in Hands of Public	Volume of Money	Net Overseas Assets (Revised Series)	Advances and Investments in New Zealand		Monthly Bank Debits (excluding Govt.)	
	Annual Totals			Average of Weekly Figs.	Average of Monthly Figures					
1938	58.4	55.4	..	10.0	51.2	21.0	63.8	10.3	77.8	76.5
1942	81.3	53.9	+14.0	21.5	100.8	38.5	73.2	32.9	87.4	90.8
1943	71.9	95.2	+ 3.2	27.6	125.3	42.2	80.7	46.0	99.7	108.5
1944	77.8	86.4	+27.7	32.1	137.2	49.8	85.4	47.3	106.5	132.5
1945	81.5	55.1	+43.2	35.0	150.4	80.4	83.4	33.6	117.1	156.7
1946	101.3	71.6	— 6.6	38.2	176.4	100.7	86.8	36.8	138.7	182.7
1947	129.4	128.7	—25.9	40.1	184.3	102.6	99.3	30.6	175.0	217.0
1948	147.8	128.2	+ 1.3	40.7	195.5	84.1	105.4	44.9	188.6	228.7
1949	147.3	119.7	— 6.5	42.5	207.3	70.6	96.7	83.2	196.6	239.3
1950	183.8	157.9	+14.5	45.2	232.7	75.1	107.5	90.6	243.8	253.6
1951	248.1	206.5	+16.1	48.9	268.6	104.0	146.3	78.9	304.7	266.2
1952										282.2
Month	Total for Year Ended			As at last Balance Day						As at End of Month
1951—Jan.	192.6	159.2	+24.2	47.4	263.9	90.9	125.9	101.1	296.0	260.7
Feb.	209.6	160.4	+29.5	46.6	273.7	99.3	131.6	102.1	309.8	259.2
Mar.	197.2	152.3	+23.3	48.1	291.0	99.8	146.6	93.6	313.5	266.2
Apr.	194.7	154.9	+20.4	48.1	276.9	102.4	149.2	80.9	297.7	267.9
May	201.6	159.8	+23.8	48.2	277.8	114.4	150.9	72.4	297.2	269.7
June	207.7	164.9	+39.1	48.4	277.4	123.3	146.0	66.6	296.6	271.2
July	214.6	166.0	+42.2	49.7	269.8	123.5	134.7	68.2	310.8	274.0
Aug.	224.7	172.0	+42.8	49.5	255.5	117.9	140.2	67.5	299.1	275.9
Sept.	230.1	177.0	+42.2	49.3	260.3	110.7	146.2	67.5	288.6	276.7
Oct.	240.0	191.4	+38.2	50.2	256.0	98.0	156.4	71.4	332.0	278.0
Nov.	247.4	199.3	+31.1	50.1	253.0	86.3	160.5	74.6	310.7	278.1
Dec.	248.1	206.5	+16.1	54.9†	267.7†	81.8†	167.7†	80.6	305.0	278.2
1952—Jan.	244.2	218.5	— 5.9†	50.3	261.6	78.4	172.4	80.8	313.7	278.4
Feb.	235.0	228.1	—13.4†	49.7	273.4	79.4	179.3	82.9	358.6	276.0
Mar.			—16.4	49.8	277.6	78.8	200.4	64.4	386.3	282.2
Apr.			—22.3	51.1	269.7	74.8	199.7	62.0	315.8	282.5
May			—30.8	50.5	263.5	77.1	193.0	60.8	311.6	

† Last Wednesday before Christmas.

ZEALAND STATISTICS

CONTENTS OF THIS TABLE

UAL

Sources: Census and Statistics Department
Labour Department

Wages and Salaries	Personal Consumption	Private Savings	Gross Capital Formation	Public Finance			Public Debt			March Year
				Total Taxation	Current Expenditure	Social Security	Overseas	Internal	Total	
EN Z. millions										
111.1	160	16	43	37.8	..	42.9	131.4	146.2	277.6	1938-39
120.6	..	..	..	68.2	13.5	107.4	128.3	230.8	359.0	1941-42
126.7	..	..	..	87.9	15.9	189.4	132.8	304.7	437.5	1942-43
140.4	175	82	40	100.8	17.6	206.5	133.6	366.7	500.4	1943-44
147.0	..	..	..	108.7	19.3	179.9	133.8	403.3	537.1	1944-45
161.8	..	..	..	114.9	23.0	189.9	95.2	472.7	568.0	1945-46
186.3	250	68	85	113.1	36.8	130.4	95.2	483.0	578.2	1946-47
210.1	285	83	133	122.3	40.4	115.0	83.8	494.1	577.9	1947-48
226.9	344	25	67	130.4	43.0	127.6	80.6	534.4	615.0	1948-49
252.9	352	81	120	135.6	46.4	111.7	78.8	565.1	643.9	1949-50
275.2*	383*	131*	171*	157.9	49.4	119.9	77.8	589.4	667.2	1950-51
				200.6	54.2	144.3	77.8	575.8	653.6	1951-52

currency at the rate £Stg.100 = £N.Z.100 = £A.125.

* Provisional.

MONTHLY

Govt. Security Yield	Share Prices Index (All groups)	Consumers' (Retail) Price Index		Wholesale Prices Index			Export Prices Index	Wage Rate Index	Retail Sales—Selected Items (Wellington Area)	Unemployed	
		Food	All Groups	Locally Produced	Imported	All Groups					
Per cent Uniform Base: First Quarter, 1949 = 100											
3.81	681	713	718	656	524	570	513	669	..	34,748	1938
3.20	688	811	838	793	773	780	594	756	..	2,736	1942
3.18	799	816	856	801	852	833	618	780	..	1,096	1943
3.18	871	829	872	819	881	858	649	788	..	913	1944
3.18	916	829	884	835	894	873	699	855	..	677	1945
3.01	1012	830	891	849	891	875	764	887	..	368	1946
3.00	1069	881	919	909	909	908	957	921	..	83	1947
3.03	1035	995	992	998	1022	1012	1059	983	..	61	1948
3.00	999	1023	1009	1018	1000	1005	1027	1038	..	88	1949
3.07	1121	1123	1066	1155	1061	1093	1459	1110	..	34	1950
3.08	1223	1292	1183	1349	1237	1275	1750	1260	106	29	1951
											1952
Annual Averages											
3.02	1246	1208	1121	1263	1124	1173	2116	..	76	14	1951—Jan.
2.99	1247	1198	1206	1284	1158	1202	1256	..	97	10	Feb.
3.00	1242	1206	1305	1176	1222	..	104	..	106	9	Mar.
3.02	1230	1243	1303	1203	1238	..	1460	..	119	24	Apr.
3.00	1234	1262	1169	1305	1233	1262	1257	..	107	53	May
3.03	1246	1288	1327	1246	1274	..	1418r	..	107	31	June
3.03	1238	1301	1348	1251	1285	..	1286	..	107	32	July
3.06	1228	1327	1207	1379	1273	1311	1488	..	92	45	Aug.
3.08	1232	1330	1343	1346	1276	1301	1294	..	94	34	Sept.
3.15	1227	1343	1237	1380	1299	1328	1488	..	111	19	Oct.
3.24	1172	1380	1447	1320	1364	..	1290	..	157	19	Nov.
3.38	1134	1422	1453	1318	1366	..	..	..	86	19	Dec.
3.52	1095	1393	1253	1447	1368	1396	..	..	91	15	1952—Jan.
3.80	1018	1371	1426	1402	1411	..	1294	..	94	16	Feb.
3.87	1034	1356	..	..	..	..	..	..	102	16	Mar.
3.67	..	1395	..	..	..	..	..	..	..	102	Apr.
3.57	..	1408	..	..	..	..	..	..	..	16	May

r Revised.

IV-FACTORY PRODUCTION

Source: Census and Statistics Department

Group I: Processing of Primary Products—Meat freezing and preserving, ham and bacon curing, butter, cheese, and other milk products, sausage casing manufacture, fellmongering and wool-scouring, boiling down and manure-making.

Group II: Public Utility Industries—Gasworks and electricity generation and supply.

Group III: Processing of Natural Resources—Fish canning, saw-milling, lime-crushing and cement making, brick, tile and pottery-making, flaxmilling, flax milling, and linen-flax processing.

Group IV: Secondary Industries—All other industries covered by the statistics representing "true manufacturing" or "secondary production", including clothing, printing, general engineering and body-building and motor and cycle engineering.

Base 1938-39 = 100

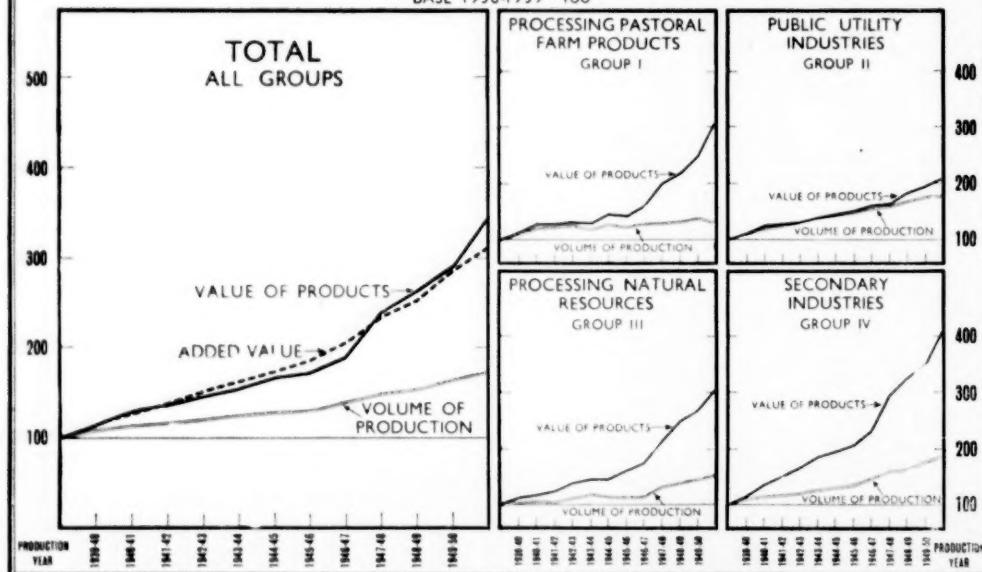
(a) Index Numbers of Value and Volume.

Production Year	GROUP 1 Processing Pastoral Farm Products			GROUP 2 Public Utility Industries			GROUP 3 Processing Natural Resources			GROUP 4 Secondary Industries			ALL GROUPS TOTAL		
	Added Value	Value of Products	Volume of Production	Added Value	Value of Products	Volume of Production	Added Value	Value of Products	Volume of Production	Added Value	Value of Products	Volume of Production	Added Value	Value of Products	Volume of Production
	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1938-39	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1939-40	116	112	110	108	111	110	111	111	103	113	114	111	113	113	110
1940-41	129	126	120	129	124	119	115	115	104	126	134	114	125	129	114
1941-42	139	126	122	126	127	124	119	122	103	141	150	116	137	136	116
1942-43	152	130	124	140	130	130	133	137	111	155	165	120	151	145	120
1943-44	148	128	118	149	138	138	143	145	118	170	184	126	162	154	125
1944-45	173	145	127	147	143	143	142	145	114	181	195	130	173	166	129
1945-46	178	141	124	152	149	147	158	160	112	195	206	134	185	171	131
1946-47	200	157	128	147	159	154	169	173	113	218	230	146	205	189	140
1947-48	209	199	128	154	163	158	210	213	131	251	294	159	233	238	151
1948-49†	228	217	131	164	182	167	252	248	138	267	326	163	252	263	155
1949-50	271	249	136	185	194	174	268	268	143	300	351	174	285	290	164
1950-51	203	308	131	209	209	176	304	306	149	353	412	185	311	345	172

† 1948-49 figures are estimates based on a sample survey.

INDEX NUMBERS OF VALUE AND VOLUME OF FACTORY PRODUCTION

BASE 1938-1939 = 100



IV-FACTORY PRODUCTION

(b) Principal Statistics by Industrial Groups.

GROUP I.

Year	Value of Land, Bldgs., Plant, and Machinery	Persons Engaged	Salaries and Wages Paid	Total Value of Products	Cost of Materials Used	Added Value*
	£N.Z.000	Number	£N.Z.000	£N.Z.000	£N.Z.000	£N.Z.000
1942-43	10,434	16,015	5,697	66,297	55,667	10,630
1943-44	10,350	16,080	5,710	65,551	55,158	10,393
1944-45	10,359	16,541	6,435	73,855	61,693	12,162
1945-46	10,463	17,036	7,138	72,181	59,674	12,507
1946-47	10,918	17,291	7,428	80,203	66,201	14,002
1947-48	12,398	17,877	8,164	101,785	87,168	14,617
1948-49†	n.a.	17,800	8,700	111,000	95,000	16,000
1949-50	15,062	17,707	9,439	127,257	108,249	19,008
1950-51	16,912	17,897	10,926	157,290	143,085	14,205

GROUP II.

1942-43	42,853	5,362	1,811	10,157	7,003	3,154
1943-44	44,031	5,425	1,915	10,849	7,483	3,366
1944-45	47,462	5,611	2,034	11,215	7,901	3,314
1945-46	51,370	6,012	2,317	11,716	8,286	3,430
1946-47	56,935	6,199	2,470	12,457	9,129	3,328
1947-48	68,518	6,120	2,548	12,768	9,298	3,470
1948-49†	n.a.	6,300	2,800	14,300	10,600	3,700
1949-50	84,264	6,411	3,067	15,221	11,048	4,173
1950-51	91,751	6,681	3,392	16,379	11,667	4,712

GROUP III.

1942-43	4,638	11,395	3,643	9,618	3,491	6,127
1943-44	4,901	12,055	3,888	10,205	3,607	6,598
1944-45	5,147	11,772	3,934	10,185	3,666	6,519
1945-46	5,276	11,746	4,191	11,199	3,909	7,290
1946-47	5,341	11,533	4,384	12,110	4,337	7,773
1947-48	5,940	12,523	5,362	14,926	5,239	9,687
1948-49†	n.a.	13,200	5,900	17,400	5,800	11,600
1949-50	7,327	13,330	6,299	19,287	6,923	12,364
1950-51	9,263	13,467	7,000	21,472	7,491	13,981

GROUP IV.

1942-43	30,329	81,818	21,104	79,864	41,286	38,578
1943-44	31,458	84,304	22,920	89,082	46,636	42,446
1944-45	34,023	88,490	24,976	94,546	49,435	45,111
1945-46	36,780	93,414	27,853	100,163	51,639	48,524
1946-47	40,327	99,412	31,054	113,336	58,867	54,469
1947-48	45,957	103,747	36,059	142,677	80,068	62,609
1948-49†	n.a.	105,200	38,600	158,300	91,600	66,700
1949-50	55,641	106,861	42,512	170,439	95,509	74,930
1950-51	61,864	110,895	49,069	199,905	111,923	87,982

ALL GROUPS.

1942-43	88,254	114,590	32,256	165,936	107,448	58,488
1943-44	90,741	117,864	34,433	175,687	112,884	62,803
1944-45	96,991	122,414	37,379	189,801	122,695	67,106
1945-46	103,891	128,208	41,499	195,259	123,508	71,751
1946-47	113,520	134,435	45,336	218,106	138,534	79,572
1947-48	132,813	140,267	52,133	272,155	181,773	90,382
1948-49†	n.a.	142,500	56,000	301,000	203,000	98,000
1949-50	162,294	144,309	61,317	332,294	221,729	110,475
1950-51	179,791	148,940	70,387	395,046	274,166	120,880

*Added Value is the difference between the value of the products and the cost of materials used, and represents the value created by the manufacturing processes.

† Estimate based on a sample survey.

V-AGRICULTURAL AND PASTORAL STATISTICS

Acres thousands

1. (a) Area Under Production

Source: Census and Statistics Department

Season	Grains and Pulses (threshed)				Fodder Crops (not harvested)					Fodder Crops (harvested)			Grasses & Clovers cut for Seed
	Wheat	Oats	Barley	Peas	Oats	Swedes	Turnips	Rape	Kale	Oats	Lucerne	Grasses & Clovers	
1938-39	189	54	27	13	51	333			173	175	37	519	110
1942-43	287	56	29	33	65	128	199	161	64	121	43	446	141
1947-48	124	63	63	52	44	181	182	161	77	70	46	560	142
1948-49	147	78	59	49	49	177	175	164	87	67	47	601	160
1949-50	125	53	57	41	55	175	188	182	101	54	52	580	148
1950-51	145	36	46	22	57	171	194	162	111	41	69	661	212

(b) Yields

Season	Grains and Pulses (bushels 000)				Fodder Crops (harvested) (tons)			Grass and Clover Seeds (millions of lbs.)					
	Wheat	Oats	Barley	Peas	Oats	Lucerne	Grasses & Clovers	Ryegrass Perennial	Others	Chewings Fescu*	Crested Dogstail	Red Clovers	White Clover
1938-39	5,564	2,605	1,077	387	317	96	1,096	12.8	2.3	1.9	.6	1.0	.9
1942-43	9,819	2,809	1,058	889	215	110	953	11.6	3.8	2.7	.4	3.6	3.0
1947-48	4,539	2,854	2,088	1,139	123	112	1,181	16.8	4.1	2.6	1.2	3.5	3.5
1948-49	5,958	3,719	2,256	1,195	123	111	1,360	17.2	4.8	5.3	1.8	3.6	3.5
1949-50	4,900	2,620	2,434	1,243	100	124	1,418	17.6	4.7	3.5	1.1	3.4	4.3
1950-51	6,272	1,828	1,902	626	81	192	1,609	36.4	10.5	2.4	1.5	2.8	7.1

2. Trade

Source: Customs Department

Year Ended 30th June	EXPORTS												Onions	
	Unprepared Oats		Unprepared Peas		Other Unprepared Grains & Pulses		Clover Seed		Grass Seed		Other Seeds*			
	Centals (000)	Value (£ N.Z. 000)	Centals (000)	Value (£ N.Z. 000)	Centals (000)	Value (£ N.Z. 000)	Cwt. (000)	Value (£ N.Z. 000)	Cwt. (000)	Value (£ N.Z. 000)	Value (£ N.Z. 000)	Cwt. (000)	Value (£ N.Z. 000)	
1944	0.2	0.2	121	198	0.8	2.2	40	479	67	437	78	18	20	
1945	0.2	0.1	168	328	0.9	1.2	36	619	123	897	105	12	12	
1946	32.6	25.7	354	681	2.0	4.5	42	943	144	1,100	152	26	24	
1947	0.6	0.4	265	616	0.9	1.4	53	1,259	87	821	171	23	28	
1948	0.1	0.1	560	1,195	0.1	0.1	44	631	114	729	210	50	49	
1949	0.1	0.1	457	968	1.6	4.5	64	989	104	692	123	37	35	
1950	4.2	3.3	449	838	1.8	5.1	39	681	128	884	80	27	30	
1951	25.7	23.2	383	693	50.2	50.2	47	915	71	866	58	17	32	

*Including Linseed.

Year Ended 30th June	EXPORTS						IMPORTS						Unmanufactured Tobacco	
	Potatoes		Linen Fibre & Tow		Wheat		Barley		Seeds		Potatoes			
	Cwt. (000)	Value (£ N.Z. 000)	Cwt. (000)	Value (£ N.Z. 000)	Bushels (000)	Value (£ N.Z. 000)	Centals (000)	Value (£ N.Z. 000)	Value (£ N.Z. 000)	Cwt. (000)	Value (£ N.Z. 000)	Ibs. (000)	Value (£ N.Z. 000)	
1944	40	32	48	437	2,820	716	562	199	134	—	—	6,382	892	
1945	36	30	40	374	3,385	1,155	129	60	212	—	—	6,591	993	
1946	32	26	27	253	4,905	2,453	108	88	286	164	126	7,769	1,329	
1947	40	31	14	133	4,416	2,213	110	75	273	—	—	3,885	831	
1948	38	35	10	79	4,907	1,793	98	67	172	—	—	4,173	929	
1949	46	39	6	53	5,740	2,428	147	102	211	—	—	5,902	1,191	
1950	30	29	4	40	5,386	4,301	—	—	371	—	—	5,629	1,403	
1951	153	119	1	7	5,562	4,052	—	—	442	—	—	5,858	1,430	

3. Farm Machinery

Source: Census and Statistics Department

As at 31st January		1930	1938	1942	1947	1948	1949	1950	1951
Electric Motors (Number)		16,456	46,100	65,699	82,721	88,282	94,047	110,683	116,549
Internal Combustion Engines (Number)		19,169	22,573	23,882	23,109	24,922	26,199	29,926	29,046
Agricultural Tractors (Number)		3,891	8,031	13,967	21,156	23,423	27,447	34,918	40,310
Milking Machines (Plants)		20,415	28,192	31,487	32,596	33,461	34,114	36,368	37,176
(Cow Capacity)		72,147	96,750	107,096	112,813	118,548	123,511	139,929	144,574
Cream Separators (Number)		48,302	56,543	54,107	48,194	48,457	48,451	54,421	—
Shearing Machines (Stands)		21,482	25,685	28,611	33,907	35,448	36,952	40,536	42,298

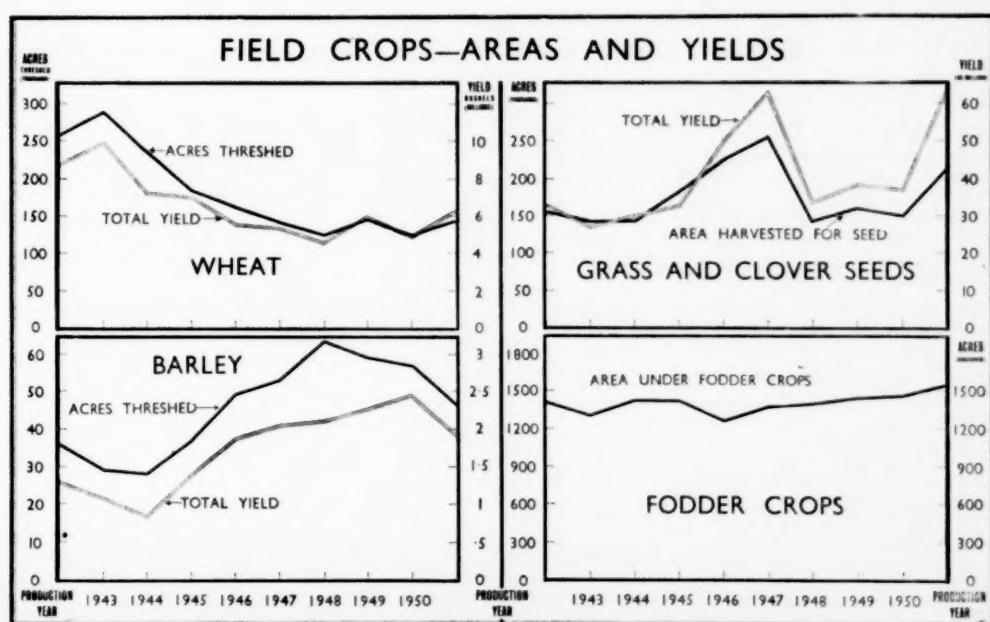
V-AGRICULTURAL AND PASTORAL STATISTICS

4. Livestock

Source: Census and Statistics Department

(thousands)	1934	1939	1942	1949	1950	1951
As at 31st January						
CATTLE:						
Dairy Cows in milk	1,796	1,724	1,757	1,747	1,850	1,898
Total Dairy Stock	..	..	..	2,681	2,867	2,911
Total Beef Stock	..	..	..	2,041	2,088	2,149
Total Cattle	4,264	4,527	4,605	4,723	4,955	5,060
PIGS:						
Breeding Sows	98	96	91	68	75	75
Total Pigs	653	676	681	545	555	564
HORSES:						
As at 30th April	261	262	249	196	195	184
SHEEP AND LAMBS:						
Breeding Ewes	17,571	19,960	..	21,500	21,881	22,639*
Wethers	2,438	2,815	..	2,475	..	..
Lambs	7,240	7,703	..	7,652	..	..
Total Sheep and Lambs	28,649	31,897	..	32,845	33,857	34,786*
Season ended 30th June						
Sheep shorn	25,018	29,269	29,226	30,278	31,533	32,251
Lambs shorn	3,508	3,923	4,589	5,625	6,340	7,018
Lambs tailed	15,279	16,949	18,523	19,806	21,170	21,238

* As at 30th June.



VI-NEW ZEALAND GOVERNMENT REVENUE AND EXPENDITURE							Source: N.Z. Gazette
1.-Consolidated Fund							
Year Ended 31st March	1946	1947	1948	1949	1950	1951	1952
REVENUE :							
Taxation—							
Customs	8,800	15,719	24,391	19,111	21,475	23,600	32,600
Beer Duty	2,309	4,252	4,404	4,555	4,822	5,036	5,274
Sales Tax	4,505	15,551	15,946	14,105	14,785	16,827	21,811
Film Hire Tax	134	135	111	108	113	107	113
Highways	2,324	2,972	3,544	3,614	3,640	3,997	4,575
Stamp and Death Duties	2,802	9,550	9,383	9,624	9,568	12,129	13,325
Land Tax	937	940	854	916	967	1,043	1,138
Income Tax	26,466	32,085	36,633	49,008	48,483	59,442	78,102
National Security Tax	—	9,404	772	—	—	—	—
Miscellaneous	93	109	62	20	—	—	—
Total Taxation¹	48,571	90,715	96,099	101,062	103,853	122,181	156,937
Interest—							
On Capital Liability:							
Working Railways	1,059	100	—	—	—	—	6
Postal and Telegraph	713	739	746	659	704	811	948
Other Accounts	1,728	1,356	2,018	2,785	3,353	3,833	4,494
On Public Debt Redemption Fund	356	358	301	—	—	—	—
On Other Public Moneys	2,001	2,161	1,938	1,772	1,829	1,922	1,890
Issue of Stock ²	—	—	—	20,000	—	—	—
Other Receipts ³	4,278	12,865	16,014	15,246	15,257	15,010	16,514
Total Revenue	58,506	108,294	117,116	141,524	124,997	143,757	180,788
EXPENDITURE:							
PERMANENT APPROPRIATIONS—							
Interest	18,584	17,559	17,825	16,620	16,737	17,264	17,713
Amortization and Management of Debt	4,212	4,956	8,787	9,409	5,748	9,050	6,063
Superannuation Fund	—	—	—	2,530	2,590	2,850	2,915
Payments to Boroughs ⁴	2,319	2,956	219	205	234	254	298
Transfer to War Expenses A/c. ⁵	—	3,000	2,055	2,000	—	—	—
Transfer to War Emergency A/c. ⁵	—	—	—	—	—	—	6,600
Compensation to Reserve Bank ⁶	—	—	—	20,576	—	—	—
Other	384	460	435	421	352	604	688
Total Permanent Appropriations	25,500	28,931	29,321	51,762	25,661	30,022	34,276
ANNUAL APPROPRIATIONS—							
Legislative, Prime Minister's Dept. and External Affairs	377	654	983	1,020	1,068	941	1,802
Stabilization	—	14,539	14,622	11,687	14,856	9,372	15,320
General Administration & Finance	3,552	5,844	8,477	7,702	8,720	11,977	16,182
Law and Order	1,052	1,539	1,537	1,694	1,930	2,142	2,636
Defence ⁷	—	7,107	9,382	8,987	9,822	15,251	24,640
Development of Primary and Secondary Industries:							
Agriculture	1,067	1,450	1,610	1,845	2,470	2,424	3,451
Industries and Commerce, Tourist and Publicity	1,257	873	1,730	1,117	1,268	1,275	1,514
Lands and Survey	509	726	1,184	1,239	1,031	1,508	1,607
Other ⁸ (including transfers to Defence Fund)	528	884	1,073	3,437	3,683	4,556	5,040
Social Services ⁹ :							
Health and Mental Hospitals	3,556	4,482	5,962	8,081	8,865	10,247	12,776
Education	6,461	7,712	8,883	9,589	11,614	13,346	15,904
War and other Pensions	4,173	4,735	4,688	4,926	5,368	5,597	6,443
T'sfer to Social Security Fund	7,000	18,000	16,000	15,000	12,000	14,000	14,000
Nat. Prov. and Friendly Soc's	112	117	—	—	—	—	—
Maintenance of Public Works ¹⁰	1,942	5,281	9,809	10,680	11,852	10,796	12,525
Unauthorised Expenditure	165	810	69	128	482	2,051	37
Total Annual Appropriations¹¹	31,752	74,753¹²	86,009¹²	87,131¹²	95,028¹²	105,481¹²	133,876¹²
Total Expenditure¹³	57,252	103,683	115,330	138,893	120,689	135,504	168,153

¹ From 1947 includes taxation formerly credited to War Expenses Account. ² For payment of compensation to the Reserve Bank for losses arising out of exchange rate appreciation on 20th August, 1948. ³ From 1947 gross expenditure is shown; "Credits-in-Aid", formerly deducted from expenditure, are shown as "Departmental Receipts" and included under "Other Receipts". ⁴ Payments to boroughs for highway maintenance. Up to 1947 includes transfers to "Main Highway Account", now abolished. ⁵ From 1947 Civil Aviation and Meteorological Services included in "Development of Primary and Secondary Industries" Other". ⁶ From 1948 includes expenditure for "Highway Maintenance" formerly paid from "Main Highway Account". ⁷ Including certain expenditure previously charged to War Expenses Account. ⁸ Excluding payment for previous year, transferred to War Expenses Account 1948, £4.6m.; 1949, £1.8m.; to the Public Works Fund, 1951, £4.3m.; to War Emergency Account, 1952, £5.2m.; Family Bonus, 1952, £3.1m.

VI—NEW ZEALAND GOVERNMENT REVENUE AND EXPENDITURE

(£N.Z. thousands)		2. Social Security Fund					Source: N.Z. Gazette	
Year Ended 31st March		1946	1947	1948	1949	1950	1951	1952
RECEIPTS:								
Social Security Charge	14,557	22,384	26,177	29,378	31,703	35,766	43,613	
Transfer from Consolidated Fund	7,000	18,000	16,000	15,000	12,000	14,000	14,000	
Other	729	136	97	59	71	116	169	
Total	22,286	40,520	42,274	44,437	43,773	49,882	57,782	
EXPENDITURE:								
Medical and Hospital Benefits	5,564	6,212	7,021	7,875	8,461	8,723	9,368	
Age Benefits	9,818	11,881	12,976	13,791	15,134	17,151	19,235	
Invalidity and Sickness Benefits	1,749	2,182	2,264	2,260	2,406	2,471	2,605	
Family Benefits	2,612	12,681	13,799	14,242	14,851	15,289	16,110 ¹⁰	
Widows' and Orphans' Benefits	1,068	1,552	1,734	1,875	2,126	2,175	2,264	
Universal Superannuation	1,186	1,350	1,594	1,850	2,179	2,336	3,144	
Other	964	969	1,055	1,104	1,203	1,274	1,453	
Total	22,960	36,825	40,443	42,997	46,360	49,421	54,180¹⁰	

3. National Development Loans Account

RECEIPTS:		12,980	15,600	19,447	28,284	19,399	33,975	30,724
Stock Issued		—	—	6,500	—	15,000	—	—
Treasury Bills Issued		12,980	15,600	25,947	28,284	34,399	33,975	30,724
EXPENDITURE:								
Transfers to Accounts—								
Electric Supply	2,920	4,000	5,500	5,000	6,250	8,400	10,500	
Public Works (includes Housing Construction)	6,872	7,000	11,400	16,028	17,791	12,500	14,500	
State Coal-mines	350	120	1,560	1,500	900	560	—	
State Forests	300	750	1,050	—	—	—	—	
Land Settlement	1,500	1,500	1,700	2,450	3,300	500	1,500	
Working Railways	851	750	1,650	1,746	2,900	3,300	3,030	
Post Office	—	—	—	—	2,500	3,450	3,500	
Other	202	923	173	—	—	—	—	
Miscellaneous*	—	557	2,914	1,560	758	50	25	
Total	12,995	15,600	25,947	28,284	34,399	28,760	33,055	

* Includes purchases of shares, and in 1948 transfer to Loans Redemption Account.

* Excluding Family Bonuses £3.1m. paid direct from Consolidated Fund (see note 8).

(£N.Z. thousands) VII—SMALL SAVINGS IN NEW ZEALAND

	Credit Balances in Savings Accounts					National Savings Bonds		Total Small Savings		
	Post Office Savings Bank	Trustee Savings Bank	National Savings Accounts	Total Credit Balances in Savings Accounts*	Change during Period*	Estimated Purchase Value of Bonds Outstanding	Estimated Change during Period	Amount*	Change during Period	Change as % of Net Private Income†
March-Years	<i>Balance at end of year</i>					<i>Annual</i>	<i>Annual</i>	<i>Total at end of year</i>	<i>Annual</i>	
1947-48	160,881‡	31,778	36,070	228,729	+ 11,770	7,896	— 2,076	236,625	+ 9,694	+ 2.7
1948-49	166,297‡	32,771	40,197	239,265	+ 10,536	5,557	— 2,339	244,822	+ 8,197	+ 2.3
1949-50	170,982	34,943	47,671	253,596	+ 14,331	3,896	— 1,661	257,492	+ 12,670	+ 3.0
1950-51	176,103	36,893	53,214	266,210	+ 12,614	2,957	— 939	269,167	+ 11,675	+ 2.5
1951-52	184,639	38,334	59,218	282,191	+ 15,981	2,953	— 4	285,144	+ 15,977	+ 2.2
Month	<i>Balance at end of month</i>					<i>Monthly</i>	<i>Total end month</i>	<i>Monthly</i>	<i>Total at end of month</i>	<i>Monthly</i>
1951—July	180,326	38,018	55,668	274,012	+ 2,793	3,086	— 15	277,098	+ 2,778	
Aug.	181,684	38,219	56,008	275,910	+ 1,898	3,063	— 23	278,973	+ 1,875	
Sept.	182,310	38,328	56,101	276,739	+ 829	3,053	— 10	279,792	+ 819	
Oct.	183,083	38,376	56,519	277,978	+ 1,239	3,056	+ 3	281,034	+ 1,242	
Nov.	182,971	38,239	56,909	278,119	+ 141	3,032	— 24	281,151	+ 117	
Dec.	183,095	38,156	56,968	278,219	+ 100	3,020	— 12	281,239	+ 88	
1952—Jan.	182,960	37,984	57,481	278,425	+ 206	3,002	— 18	281,427	+ 189	
Feb.	180,942	37,478	57,580	276,000	— 2,425	2,983	— 19	278,983	— 2,444	
Mar.	184,639	38,334	59,218	282,191	+ 6,191	2,953	— 30	285,144	+ 6,161	
Apr.	184,600	38,258	59,649	282,507	+ 316	2,909	— 44	285,416	+ 272	

* Including interest credited in March of each year; for National Savings Accounts interest calculated for the year ended 30th June is not included in the total until the following March. †Includes amounts to credit of War Gratuity Accounts, via—1947-48, £12,439,000; 1948-49, £11,448,000. ‡Excluding accrued interest which has been regarded as a cash payment on maturity. ††Net Private Income = Private Income as defined in the National Income Statistics less direct taxation and changes in primary-products stabilisation and wool retention balances.

VIII-FOREIGN EXCHANGE

1. Net Overseas Assets*

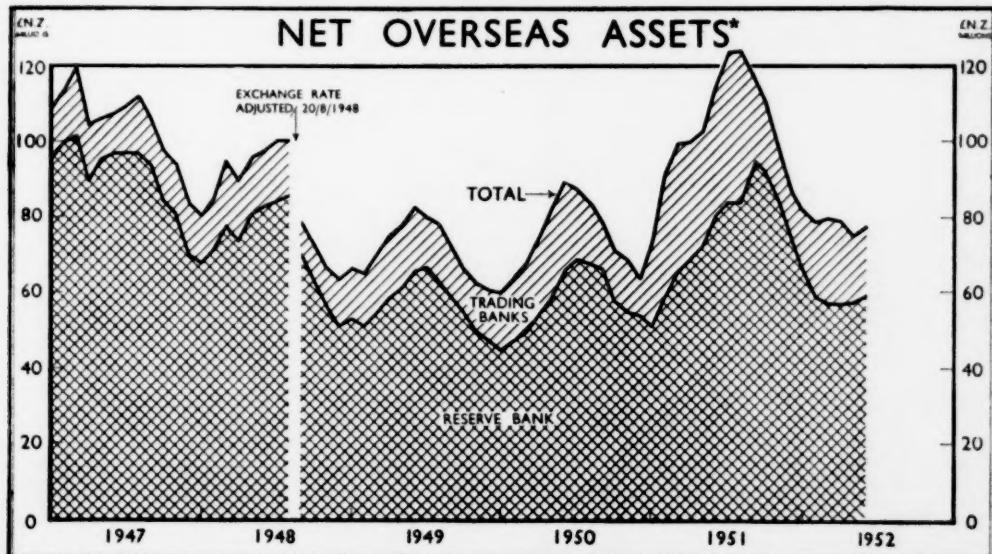
(£N.Z. thousands)	1949			1950			1951			1952		
	Last Wednesday in Month	Total	Reserve Bank	Trading Banks	Total	Reserve Bank	Trading Banks	Total	Reserve Bank	Trading Banks	Total	
Jan.	64,809	46,862	16,498	63,360	58,413	32,482	90,895	58,490	19,868	19,868	78,359	
Feb.	69,865	49,179	18,125	67,504	65,198	34,053	99,251	56,670	22,694	22,694	79,364	
Mar.	74,975	54,076	20,100	74,175	68,254	31,504	99,758	56,662	22,101	22,101	78,764	
Apr.	77,728	58,362	23,924	82,285	72,410	30,000	102,410	57,035	17,796	17,796	74,831	
May	82,250	65,607	23,634	89,241	80,410	34,018	114,428	58,898	18,213	18,213	77,111	
June	79,987	68,411	18,605	87,016	83,824	39,492	123,316	55,062				
July	78,037	67,340	16,169	83,509	83,454	40,059	123,513					
Aug.	71,747	66,099	12,302	78,402	94,150	23,712	117,862					
Sept.	65,998	57,635	13,374	71,009	91,914	18,802	110,716					
Oct.	62,165	54,916	13,927	68,843	83,855	14,108	97,963					
Nov.	60,102	53,871	9,670	63,541	72,947	13,401	86,347					
Dec.	59,738†	50,971†	22,013†	72,984†	66,123†	15,680†	81,803†					

* Foreign exchange and overseas investments held by the New Zealand banking system in respect of New Zealand business, less overseas liabilities. The Reserve Bank figures include not only sterling exchange as formerly, but also other foreign exchange holdings and overseas investments. † Last Wednesday before Christmas.

(£N.Z. thousands) 2. Foreign Exchange Transactions of New Zealand Banking System

Calendar Month	1951				1952				Balance of Transactions	
	RECEIPTS		PAYMENTS		Balance of Transactions	RECEIPTS		PAYMENTS		
	Exports	Other	Imports*	Other		Exports	Other	Imports*	Other	
Jan.	30,042	2,125	13,938	3,027	+15,202	20,368	2,272	27,296	2,072	- 6,728
Feb.	26,044	1,509	16,207	2,813	+ 8,532	24,674	4,589	25,276	2,949	+ 1,038
Mar.	15,546	2,188	14,773	2,485	+ 476	24,381	2,564	24,777	4,700	- 2,531
April	18,810	1,544	13,428	2,973	+ 3,953	18,967	3,208	20,704	3,434	- 1,963
May	23,626	1,484	12,765	2,357	+ 9,988	21,818	2,594	20,003	2,973	+ 1,436
June	26,862	1,995	12,976	3,220	+12,660					
July	21,429	2,007	15,498	7,067	+ 871					
Aug.	17,083	2,135	21,287	3,425	- 5,494					
Sept.	15,322	1,771	21,842	2,524	- 7,273					
Oct.	19,707	2,025	26,959	3,479	- 8,706					
Nov.	18,189	995	26,853	2,898	-10,569					
Dec.	21,188	2,510	23,629	3,653	- 3,584					
Total	253,847	22,287	220,153	39,923	+ 16,057					

* Includes estimated payments for Government imports.



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